

ORIGINAL

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Special Services Fees and Classifications) Docket No. MC96-3

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS TIMOTHY D. ELLARD
(OCA/USPS-T6-7-12)
(July 8, 1996)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA Interrogatories 1-4 to the United States Postal Service dated June 19, 1996, are hereby incorporated by reference.

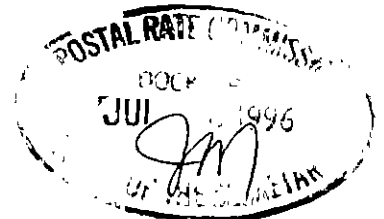
Respectfully submitted,



GAIL WILLETTE
Director
Office of the Consumer Advocate



DAVID RUDERMAN
Attorney



OCA/USPS-T6-7. Please refer to the file POBOX.DAT of SSR-111.

- a. Please confirm that either the weights supplied on file POBOX.DAT of SSR-111 are 100 times too large or that the tabulations provided in Tables 2-7 are approximately 100 times too small. If you do not confirm, please explain how the weights provided on POBOX.DAT should be used to tabulate survey data. If you do confirm, please explain the reasons for the disparity.
- b. Please explain why the sum of weights for the first four observations of POBOX.DAT is about 99762, approximately three times as large as the total Group 1 weighted base of 32988 as shown in Table 2 of your testimony.

OCA/USPS-T6-8. Please refer to Table 2 at page 53 of SSR-111.

- a. Please confirm that the source of these figures was the PO Box Study described in USPS-T-4. If you do not confirm, please provide the source of this data. If you do confirm, please provide a citation to the where these figures are presented in witness Lion's testimony or library references.
- b. Please explain the large discrepancy between the total weighted base of all respondents (149,930¹) in your

¹ This is the sum of the weighted base for group 1 and the weighted base for group 2 as shown in Table 2 of USPS-T-6.

testimony and the total number of post office boxes installed (14,290,298) as reported by witness Lion in Table 3 of USPS-T-4.

OCA/USPS-T6-9. Please refer to page 17 of SSR-111. Question 1a asks "(Do you reside / Is your primary place of business) in the same ZIP Code as the town where you obtain box service?"

Suppose a respondent's residence ZIP Code is 20016 and they live on New Mexico Ave, NW, Washington DC. This person does not rent a PO box at the closest location (Friendship, 20016), but instead rents a PO box at L'Enfant Plaza, SW, Washington DC 20026.

Suppose that this box is used only for personal use.

- a. Please confirm that the residence ZIP Code is not the same as the ZIP Code where the box was obtained. If you do not confirm, please explain.
- b. Please confirm that both the residence and the town where the box was obtained are Washington, DC. If you do not confirm, please explain.
- c. Please explain what the correct response to question 1a would be for this respondent.

OCA/USPS-T6-10. Please refer to page 18 of SSR-111. Question 3 asks, "If the fee were to be changed to \$(MID-PRICE) for 6

months, would you accept it as something that cannot be avoided or would you try to find an alternative?"

- a. Please confirm that the classification changes proposed for post office box fees in MC96-3 are not restricted to a 6 month period.
- b. Were respondents informed that any box rent increases would not revert to current prices after 6 months elapsed? Please explain.
- c. Would you anticipate a different reaction from respondents to this question if the question did not restrict the increases to a 6 month period of time? For example, suppose the question limited the increases to a 6 week period. Suppose the question stated that rates would not be increased again for at least 6 months. How could subtle questionnaire wording changes such as these effect responses? Please explain.
- d. When you designed the questionnaire, did you understand that tested rates were to be temporary (for 6 months) and then revert to current rates? Or was it your understanding that box rates would be raised and not increased again for at least 6 months? Please explain.
- e. Did any respondents inquire about what would happen after the 6 month period? If so, what responses were they given.

f. You state in your testimony that respondents tend to overreact to price increases. USPS-T-6, page 7, lines 8-9. Was this questionnaire designed to minimize or reduce overreaction to price increases? If so, how could this be accomplished? Please explain.

OCA/USPS-T6-11. Please refer to the Statement of Work at pages 2-3 and the questionnaire at pages 24-30 of SSR-111. These pages indicate that the post office box rate research included a study of potential box renters currently on waiting lists for boxes.

- a. Please confirm that data were collected from respondents on waiting lists in this study. If you do not confirm, please explain why there are figures in the column marked "Waiting Completes" in the sample disposition printout of pages 42-49 of SSR-111.
- b. Please confirm that data and tabulations from the waiting list respondents were not included in SSR-111 or in your testimony. If you do not confirm, please provide page references to the tabulations.
- c. Are the respondents on the waiting lists more likely to seek alternatives to post office boxes when faced with box rent

increases? Please provide any tabulations used to support your response.

OCA/USPS-T6-12. Please refer to page 17 of SSR-111.

Questions 1a and 1b appear to attempt to differentiate between resident and nonresident box holders under the tested rates.

- a. Please provide tabulations and graphs for Tables 3-8 of your testimony separately for resident and nonresident box holders.
- b. Do your data show differences in price sensitivity between the resident and nonresident box holders?
- c. Does your study indicate that the nonresident rate is the same for box holders renting the box for personal use compared to those renting for business use? Please explain and support with survey data results.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 3.B(3) of the special rules of practice.



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July 8, 1996